

**TITLE OF REPORT****Audit Committee Performance Reviews – Repairs and Voids****AUDIT COMMITTEE  
MEETING DATE 2017/2018****17 January 2018****CLASSIFICATION:****Open****If exempt, the reason will be listed in the  
main body of this report.****WARD(S) AFFECTED****All****GROUP DIRECTOR****Kim Wright, Group Director Neighbourhoods and Housing**

## 1. INTRODUCTION

This report has been requested by the Audit Committee following their review of the recent Risk and Performance Report of the Council. The report is for information and comment.

The Audit Committee felt the report highlighted a number of areas where they would like assurance that service improvements are in progress to address issues. Their stated aim was not to investigate what may, or may not, have gone wrong but to be reassured that work is in progress, or planned, to deal with the underlying issues. An update would also help the Committee take forward any necessary discussions with third parties, for example to press for changes in national or regional policies.

This paper addresses the request for:

A summary of service development work in progress in order to reduce the numbers of missed repairs appointments/repairs completed at first visit, for both our DLO and contractors, as well as the number of days to re-let void properties.

This report splits the request into two sections relating to repairs and voids.

## 2. REPAIRS

**Request: Summary of service development work in progress in order to reduce the numbers of missed repairs appointments/repairs completed at first visit, for both our DLO and contractors**

Housing Services are progressing an ambitious programme of service improvement for its Repairs Service. The Building Maintenance Improvement and Development Project has been progressing since mid-2017 with an aim to address a wide variety of performance issues, thus improving the repairs experience for Hackney residents. Key to this experience is ensuring appointments are made and kept and the repair is undertaken in one visit.

The scope of the project includes all teams related to the delivery and management of the repairs journey, including the Direct Labour Organisation (DLO), the exiting repairs client side who manage the external contractors, repairs call centre (RCC), and specialist teams i.e. the case management team. Relationships with other services that impact on the repairs journey, such as the work of the Property and Asset Management Team, are also explored in relation to particular issues, such as contract administration and management of specialist works e.g. electrical, mechanical and lift repairs.

The project builds on work that has previously been undertaken to strengthen repairs performance since the Housing Service moved back to the Council in

April 2016. This has led to improvements in RCC response times, completions on first visit, and appointments made /kept. However, there continue to be high levels of repeat calls to the RCC, often due to weaknesses in the repairs journey, shortfalls in completing urgent /emergency jobs on time, and low levels of repairs satisfaction.

The project has highlighted six work streams that collectively form a Project Plan and are designed to improve the overall repairs experience. These are as follows:

- a) **Promoting DLO expansion / growth** – it is proposed that the DLO could undertake work currently delivered by external contractors, with potential areas of expansion including domestic boiler installation replacements, painting and decoration (schools and housing), kitchen and bathroom replacement, and door entry. The performance of the DLO in relation to appointments kept and first time fixes is higher than external contractors and therefore expanding their work areas will support overall performance. There is also scope to develop a commercial offer for leaseholders. An incremental approach to growth will be developed, based on balancing capacity /capability, business growth potential, income generation and service quality.
- b) **Service restructure** – Housing Services have appointed a consultant to review the existing client side repairs structure and to recommend changes in regards to reporting and ways of working that will support our vision. This work is now producing recommendations in regards to:
  - (i) bringing the contractor /client side together to minimise duplication and ensure that the client function has the appropriate technical skills and expertise
  - (ii) identifying areas where additional capacity /skills are required e.g. surveying
  - (iii) reviewing the remit of, and relationship between, different teams and functions to promote effective work flows e.g. between the repairs call centre and job planning functions. This will support identifying the right operative attending to undertake the job first time
  - (iv) identifying opportunities for employee development and local employment initiatives
  - (v) changes to the structure will also align to the wider review of Housing Management and consider how contract administration can work more effectively where responsibilities are shared with Property and Asset Management
- c) **Repairs journey** – this builds upon previous work which has already led to improvements in repairs call handling, appointments kept, and right first time delivery. It recognises that there remains scope to drive improvements in: tenant satisfaction with repairs reporting /repairs; response times to emergency/urgent jobs; avoidable contact; and, more

generally, to ensure a stronger customer focus across the service. Work to address capacity, IT systems, and role clarity /responsibilities will support this work stream. There will also be an emphasis on tackling the smaller administrative issues which impact upon performance and customer perception e.g. failure to call back tenants, lack of up-to-date phone numbers, and incomplete job notes.

- d) **Information Technology** – the roll out of mobile working, where operatives receive job orders/visits directly to their phones, is now live with most DLO trades and the Surveying Team. This technology supports efficient working and automatic system updates enable the RCC to review progress in real time. It is anticipated the inclusion of the Surveying Team to mobile working will quickly improve the performance in regards appointments kept. This work-stream is also focusing on the incorporation of separate system improvement initiatives such as reporting repairs on line, texts to remind customers of appointments, tracking repair arrival times and the offer of more online repairs advice.
- e) **Finance & Value for Money** – this work stream is exploring the opportunity to achieve financial savings through a combination of securing new business, spreading overheads, and /or increasing the competitiveness with the local construction and maintenance market. Potential for efficiencies will also be explored through work on the repairs journey and service re-structure.
- f) **Accommodation** – to progress a relocation of the entire service to one location ensuring the service occupies accommodation better suited to its size and aspirations. This will also enable crucial co-location of functions that are currently in separate buildings such as the RCC, Planners, Case Management Team, Surveyors and the DLO

In performance terms the current reporting groups all contractors together, such as Purdy and Axis, and is therefore not a pure reflection of each contractor's performance. The Building Maintenance Improvement and Development Project will develop more complex methods of monitoring individual contractor performance. Once separated out and robustly managed via the new structure it will enable clear and targeted performance management and improvement. The re-structure recommendations are highlighting a need for a Service Improvement Team to be incorporated within the overall Building Maintenance structure to hold an overview of all contracts, thus enabling consistent monitoring and performance management.

### 3. VOIDS

#### **Request: Summary of service development work in progress in order to reduce the number of days to re-let void properties**

Since 1 April 2017, the Council has re-let a total of 432 voids (as at w/c 17 December 2017) with an average turnaround time of 69 gross (i.e. key-to-key)

days. November was a particularly positive month with 51 properties re-let in an average turnaround of 58 gross days. This compares with an average turnaround time of 64 days in the year 16/17, which shows a slight deterioration in overall performance for the year-to-date. Nonetheless, informal benchmarking work suggests that performance remains extremely good when compared against similar local authority landlords. Tenants Satisfaction – 80% of the residents sampled between April and September were satisfied with the overall condition of their property at the time of letting. In April the Council launched a pictorial lettings standard leaflet which provided clarity on what new tenants should expect when moving into their new home. This also serves to provide a more consistent approach to post-works inspections for officers.

Several issues have affected our ability to reduce re-let times in the current year. These are:

- a) **Time Taken to Re-service Void Property.** As at the end of November, 68% of minor voids works were completed outside the 21 day target. Ongoing issues with asbestos and electrical contractors, delays in void clearance, and shortages of key staff are reported as being the main contributory factors. The condition of the void and standard of repair at handback remains an area of focus.

It is believed the reduction in use of external contractors will see a reduction in days lost during the referral process and other built in delays. Clearances are now being carried out directly by the DLO. In due course, the in-house DLO Team will also be placing asbestos orders directly through the Council's own Asbestos Team. This will give them direct management responsibility and better control over organising surveys and removals and with the possibility of a 15 day reduction in void turnaround.

- b) **Condition of Property:** A significant number of properties that have become void are in poor standard of repair. 232 voids have required more extensive works with 136 requiring full refurbishments. Voids with structural issues requiring technical input from surveyors, authorisation by Asset Management, and those with re-occurring leaks have the greatest impact on void loss as turnaround can sometimes exceed 120 days.

In addition to fortnightly progress meetings held with the DLO, the Voids Team are now scheduling a series for fortnightly meetings with the technical teams and introducing clearer responsibilities and new timescales for turnaround. Officers are also reviewing the policy of whether to recharge tenants for damage to the property and / or clearance when properties are left in poor condition.

- c) **Requesting additional works, i.e. decorating for elderly/vulnerable tenants.** The Council feels it is important to provide support/flexibility where we can for our most vulnerable residents as this ensures a smooth transition into their new home.

Although such requests are usually small in nature, they can often add around 5 days to re-servicing times, particularly as such works are requested towards the ending of the re-servicing period.

- d) **Lettings Process.** 2<sup>nd</sup> and 3<sup>rd</sup> shortlist requests are having to be made on several voids due to increased refusals and non-attendance at viewing appointments. This can significantly add to the void loss on the individual properties concerned. Delays of up to 2 weeks can be incurred when homeless households refuse an offer and the offer is enforced.

Analysis of the refusal reasons is currently being carried out to establish a better picture, and better understand the increase in non-attendance at viewings and rejection of properties. There are indications that some applicants are not reading the information about the property before deciding to bid. There is a suspicion that some applicants are placing bids simply to show that active bids are being placed. Information about the property could also be improved.

- e) **Storage after Eviction.** We have seen a small number of properties where the former tenant's personal belongings could not be removed and taken into storage due to infestation resulting in a 28 day void loss or held due to re-entry application before the courts. Storage process will be reviewed in 2018 to identify a more all-round cost-effective approach.
- f) **Late notifications of voids/keys.** This is an area that has given cause for concern, particularly around deaths. It will be important to ensure that staff changes resulting from the forthcoming Neighbourhood restructure do not have an adverse impact on void loss. The Voids Team will play an integral part in ensuring void loss is minimised by holding regular briefing sessions and closer liaisons with the new Neighbourhood Teams.
- g) **Pre-exit Inspections.** Briefing sessions on the importance of visiting properties before the tenancy ends were successfully carried out in June 2017 across all the Neighbourhood Offices. Although there has been some improvement in the overall number of inspections carried out, there is still room for improvement. A recent pilot scheme carried out on the Kings Crescent Estate, where joint pre-exit visits were carried out by the Estate Officer and Void Supervisors, proved particularly successful in gaining an early opportunity to identify both rechargeable and potential void repairs whilst giving the transferring tenant time to rectify any alterations/damage.
- h) **Staff shortages and staff changes.** Resourcing difficulties within Voids, Property Services and Lettings has had some impact on void loss. With the Voids & Disrepair Manager, Lettings Manager, Voids and Garage Manager positions now filled, increased staffing within the DLO, and a full complement of staff within the Lettings Team, officers are confident that void loss will be further reduced over the coming months.

- i) **Review:** A Voids Project Board has recently undertaken a void review which has looked at the following:
- (i) Reason for Voids
  - (ii) Pre-void activity
  - (iii) Voids Costs
  - (iv) The Lettings Process
  - (v) Post Lettings Activities
  - (vi) The Organisation of Voids

The findings are soon to be released and an action plan will be developed to implement the recommendations.

End of report.